



ICE Clear Canada ECS User Guide for Cash and Collateral Asset Management

Version 1.2

19 April 2013

All screens and examples in this document are from the UAT Test Environment and do not represent actual clearing firm values.

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Date	Version	Description
18 October 2012	1.0	Initial draft -
10 January 2013	1.1	Updated for Platform 6.4 release
April 19, 2013	1.2	Updated with ICCA specific for banking and asset management only.

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1 Introduction

The Extensible Clearing System (ECS) is used as the treasury management and position keeping system. It facilitates the following:

- The generation and settlement of intraday and overnight margin calls
- **The management of member and Clearinghouse collateral balances**
- Position Change Submission (PCS; also known as 'close-outs')
- Position account summaries
- Option exercise and expiration processing
- Intraday contract expires

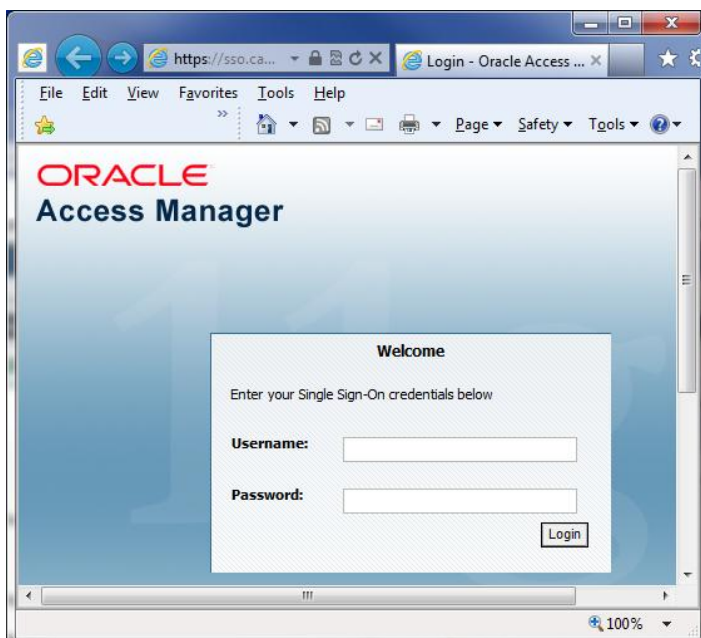
Unless otherwise stated, the functionality in ECS is common across ICE Clear Europe (ICEU), ICE Clear US (ICUS) and ICE Clear Canada (ICCA) and thus this document is suitable for users from either Clearinghouse. Please note for brevity, the term Member is used throughout this document to refer to both Clearing Members and Exchange Members that access the ICE Clearing Systems with only minor differences.

2 Accessing ECS

ECS is a web based application and can be accessed via the following URL:

- ICCA: <https://ecs.caclearing.theice.com> for the ICCA Production Environment
- ICCA: <https://ecs.caclearing.uat.theice.com> for the ICCA UAT TEST Environment

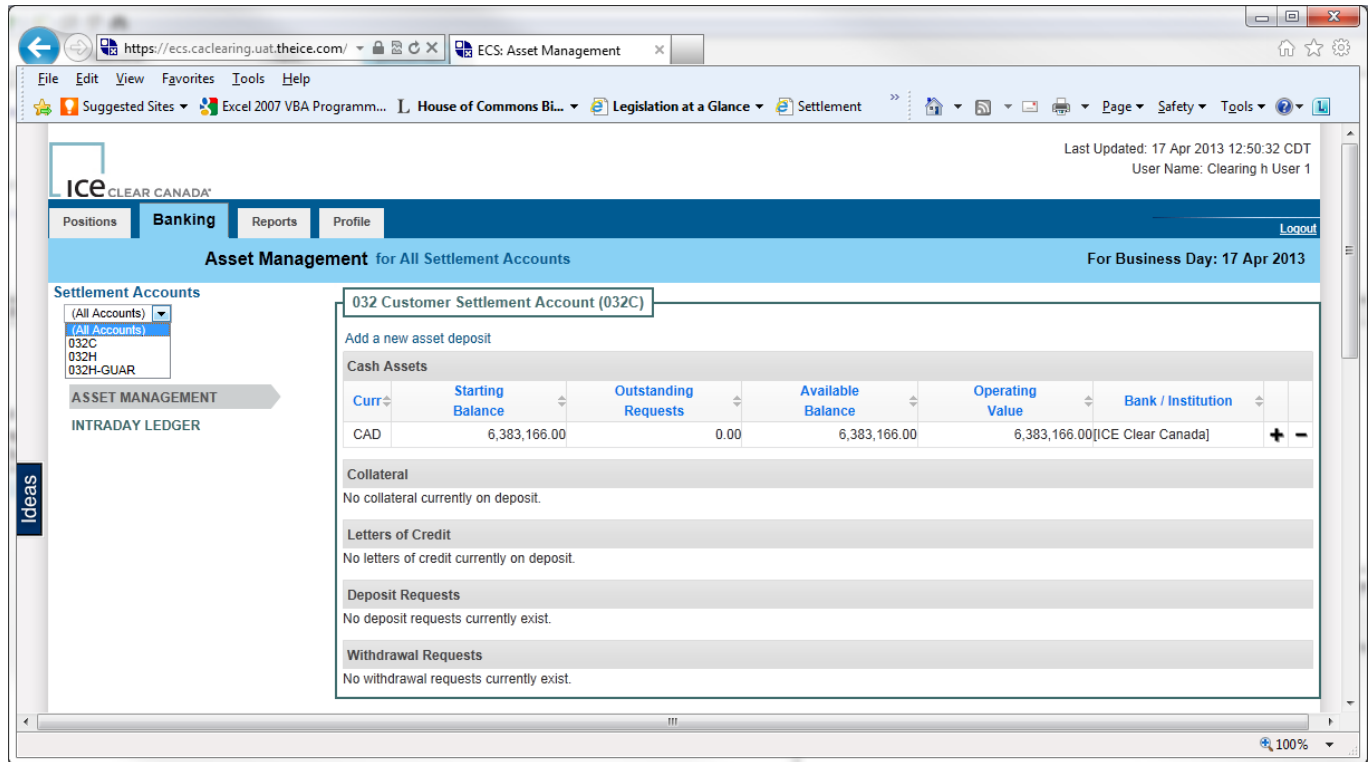
Members will enter their ICE assigned user ID and password in the below login page. Once the Username and Password has been authenticated, the ECAS**Positions** screen is displayed as the default page.



The user can then navigate between the Position, Banking, Reports, and Profile tabs. To logout, the user can either select the **Logout** link in the top right hand side of the page or simply close the internet session.

3 Banking

The **Banking** tab allows for the management of assets on deposit with the Clearinghouse. Via this screen Members are able to add new asset deposits, view collateral balances and withdraw or add to existing deposits for a given settlement account.



The screenshot shows the ICE Asset Management interface for a Settlement Account. The browser address bar displays <https://ecs.caclearing.uat.theice.com/>. The page title is "ECS: Asset Management". The user is logged in as "Clearing h User 1" and the last update was on 17 Apr 2013 at 12:50:32 CDT.

The interface has a navigation bar with tabs: Positions, **Banking**, Reports, and Profile. The main heading is "Asset Management for All Settlement Accounts" for Business Day 17 Apr 2013.

On the left, there is a "Settlement Accounts" section with a dropdown menu showing "(All Accounts)", "032C", "032H", and "032H-GUAR". Below this are links for "ASSET MANAGEMENT" and "INTRADAY LEDGER".

The main content area is titled "032 Customer Settlement Account (032C)". It includes a section for "Add a new asset deposit" and a table for "Cash Assets".

Curr	Starting Balance	Outstanding Requests	Available Balance	Operating Value	Bank / Institution
CAD	6,383,166.00	0.00	6,383,166.00	6,383,166.00	[ICE Clear Canada]

Below the table, there are sections for "Collateral", "Letters of Credit", "Deposit Requests", and "Withdrawal Requests", each with a status message indicating no current activity.

(Sample Data Only)

3.1 Settlement Accounts

The Settlement Accounts are the Margin and Guaranty accounts in which the Clearing Member deposits cash and securities with the Clearinghouse.

Settlement Accounts

(All Accounts)

(All Accounts)

032C

032H

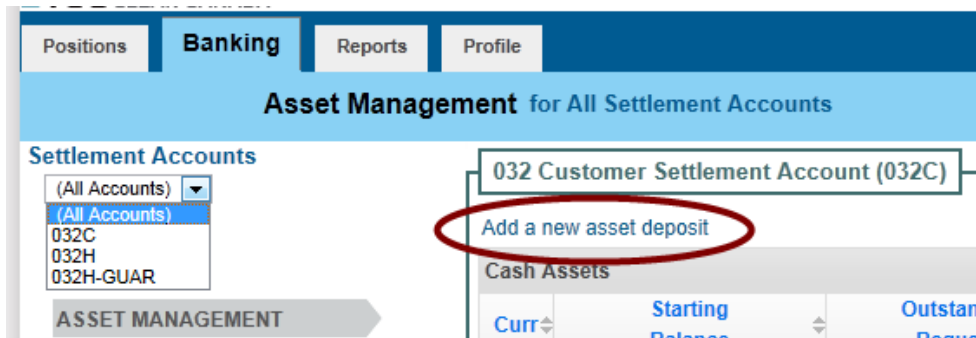
032H-GUAR

Most Clearing Member will have a C(customer), H(House) and H-GUAR (Guaranty) account, but some Merchants may only have the (House) and H-GUAR (Guaranty) accounts

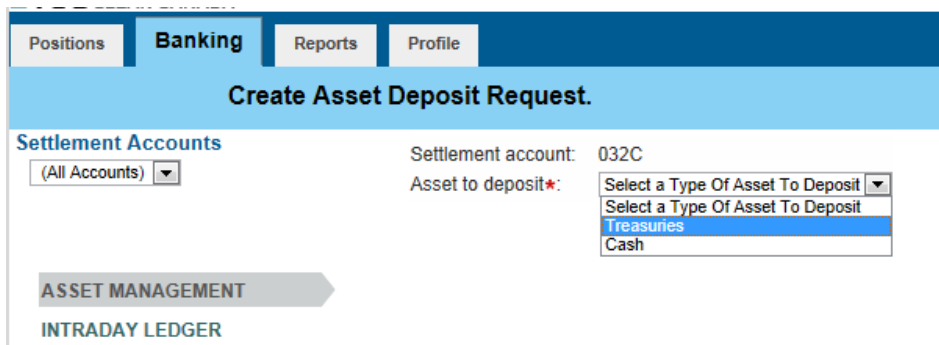
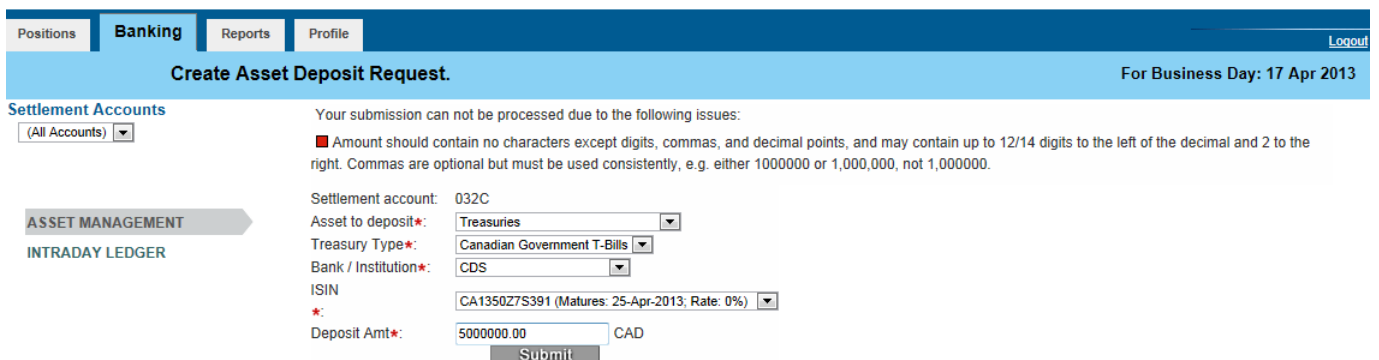
The Asset Management tab will show the balances (cash, LOC, Collateral) and any deposit or withdrawal requests for that day.

3.2 Create a New Deposit (Cash or Collateral)

To create a new asset deposit in a settlement account, select the **Add new asset deposit** link in the respective settlement account section. This can be for cash or collateral (TBILL, BOND), but not for a LOC. Only the clearinghouse can add an LOC.



In the **Create Asset Deposit Request**, select the Asset to deposit and complete the relative deposit details.

(Sample Data Only)

3.3 Second Approval Required:

Once the request has been created, the instruction is in a **Pending Approval** state and must be approved by a second user before it is submitted to the Clearinghouse for its acceptance.

Deposit request created.

032 Customer Settlement Account (032C)

Add a new asset deposit

Cash Assets

Curr	Starting Balance	Outstanding Requests	Available Balance	Operating Value	Bank / Institution	
CAD	6,383,166.00	0.00	6,383,166.00	6,383,166.00	[ICE Clear Canada]	+ -

Collateral

No collateral currently on deposit.

Letters of Credit

No letters of credit currently on deposit.

Deposit Requests

Asset	Curr	Amount	Status	Business Date	Bank / Institution	ISIN	TX ID	
Canadian Government T-Bills	CAD	5,000,000.00	Pending Approval	7 Apr 2013	CDS	CA1350Z7S391	935066	✓ ✕

Withdrawal Requests

No withdrawal requests currently exist.

(Sample Data Only)

To approve the instruction, the second user must click the 'tick' icon on the right side of the screen.. This will invoke the **Approve asset request** page. Once the user has checked the instruction, the Submit button is selected to send to the instruction to the Clearinghouse for approval. This will set the state of the instruction to **Submitted**. The instruction can be deleted in a **Pending Approval** or **Submitted** state by clicking on the x icon.

Positions

Banking

Reports

Profile

Approve Asset Deposit Request

Settlement Accounts

032C

ASSET MANAGEMENT

INTRADAY LEDGER

Click the submit button to approve this request.

Settlement Account: 032C

Asset Type: Canadian Government T-Bills

Bank / Institution: CDS

ISIN: CA1350Z7S391

Status: Pending Approval

Deposit Amt: 5,000,000.00 CAD

Submitted By: 032CLEARING1

Submit

(Sample Data Only)

Positions
Banking
Reports
Profile
Logout

Asset Management for Settlement Account: 032C
For Business Day: 17 Apr 2013

Settlement Accounts
032C

ASSET MANAGEMENT
INTRADAY LEDGER

032 Customer Settlement Account (032C)
Add a new asset deposit
Cash Assets

Curr	Starting Balance	Outstanding Requests	Available Balance	Operating Value	Bank / Institution
CAD	6,383,166.00	0.00	6,383,166.00	6,383,166.00	[ICE Clear Canada]

Collateral
No collateral currently on deposit.
Letters of Credit
No letters of credit currently on deposit.
Deposit Requests

Asset	Curr	Amount	Status	Business Date	Bank / Institution	ISIN	TX ID
Canadian Government T-Bills	CAD	5,000,000.00	Submitted	17 Apr 2013	CDS	CA1350Z7S391	935036

Withdrawal Requests
No withdrawal requests currently exist.

The Status of the Instruction is set to "Submitted", but it is not yet reviewed by the Clearinghouse. The Clearinghouse will review the cash or security deposit/withdrawal, which will cause the Status to be changed to "Pending". At this state, the transactions is not yet complete.

(Sample Data Only)

Deposit Requests							
Asset	Curr	Amount	Status	Business Date	Bank / Institution	ISIN	TX ID
Cash	CAD	250,000.00	Pending	19 Apr 2013	Royal Bank of Canada		935471
Canadian Government Bonds	CAD	25,000,000.00	Cancelled	19 Apr 2013	CDS	CA135087TU88	935467
Canadian Government T-Bills	CAD	20,000,000.00	Completed	19 Apr 2013	CDS	CA1350Z7S623	935470
Cash	CAD	4,000,000.00	Completed	19 Apr 2013	Royal Bank of Canada		935468

(Sample Data Only)

The Clearinghouse will now confirm the receipt of the cash/collateral or it will initiate the cash/collateral transaction. Once the transaction is confirmed by the Clearinghouse, the status will be set to "Completed".

Deposit Requests							
Asset	Curr	Amount	Status	Business Date	Bank / Institution	ISIN	TX ID
Cash	CAD	250,000.00	Completed	19 Apr 2013	Royal Bank of Canada		935471
Canadian Government Bonds	CAD	25,000,000.00	Cancelled	19 Apr 2013	CDS	CA135087TU88	935467
Canadian Government T-Bills	CAD	20,000,000.00	Completed	19 Apr 2013	CDS	CA1350Z7S623	935470
Cash	CAD	4,000,000.00	Completed	19 Apr 2013	Royal Bank of Canada		935468

(Sample Data Only)

3.4 Deposit and Withdrawal to an Existing Asset

The “Add a New Deposit” is only for new TBILLS or new BONDS.

It is not for adding or subtracting from an existing TBILL or BOND, or to Cash unless there is no Cash on deposit.

To do a Deposit (+) or Withdrawal (-) to an existing asset, you click on the appropriate + or – sign.

Cash Assets								
Curr	Starting Balance	Outstanding Requests	Available Balance	Operating Value	Bank / Institution			
CAD	2,853,684.00	0.00	7,103,684.00	7,103,684.00	[ICE Clear Canada]			+ -
Collateral								
Asset	Curr	Starting Balance	Outstanding Requests	Available Balance	Operating Value	Bank / Institution	ISIN	
Canadian Government T-Bills	CAD	5,000,000.00	0.00	4,000,000.00	3,800,000.00	CDS	CA1350Z7S39	+ -
	CAD	0.00	0.00	20,000,000.00	19,000,000.00	CDS	CA1350Z7S623	+ -

(Sample Data Only)

This Screen will appear:

Create Asset Deposit Request.

Settlement Accounts

(All Accounts)

ASSET MANAGEMENT

INTRADAY LEDGER

Settlement Account: 032C

Asset Type: Cash

Bank / Institution: [ICE Clear Canada]

Available Balance: 7,103,684.00 CAD

Deposit Amt*:
CAD

Submit

Enter the amount and click submit. After this point, the process is the same as when adding a new asset.

(Sample Data Only)

3.5 Your Available Balance

The Available Balance of Cash and Collateral are updated differently for Withdrawals and Deposits.

Withdrawals are immediate and the available cash will be decreased as soon as the Clearing Firm completes their "Asset Approval" page.

Deposits will not change the Available Balance until after the Clearinghouse has approved the deposit and the status changes to "Completed".

032 Customer Settlement Account (032C)

Add a new asset deposit

Cash Assets							
Curr	Starting Balance	Outstanding Requests	Available Balance	Operating Value	Bank / Institution		
CAD	2,853,684.00	4,000,000.00	2,853,684.00	2,853,684.00	[ICE Clear Canada]	+	-

Collateral							
Asset	Curr	Starting Balance	Outstanding Requests	Available Balance	Operating Value	Bank / Institution	ISIN
Canadian Government T-Bills	CAD	5,000,000.00	(1,000,000.00)	4,000,000.00	3,800,000.00	CDS	CA1350Z7S391

Letters of Credit

No letters of credit currently on deposit.

Deposit Requests							
Asset	Curr	Amount	Status	Business Date	Bank / Institution	ISIN	TX ID
Canadian Government Bonds	CAD	25,000,000.00	Submitted	19 Apr 2013	CDS	CA135087TU88	935467
Cash	CAD	4,000,000.00	Submitted	19 Apr 2013	Royal Bank of Canada		935468

Withdrawal Requests							
Asset	Curr	Amount	Status	Business Date	Bank / Institution	ISIN	TX ID
Canadian Government T-Bills	CAD	1,000,000.00	Submitted	19 Apr 2013	CDS	CA1350Z7S391	935469

(Sample Data Only)

4 Intraday Ledger

The banking tab has an **Intraday Ledger** page which displays the Member's standing requirements for a given settlement account.

This screen will contain all standing requirements (ie: IM, NLV, Super Margin) from the prior EOD plus the Intraday Risk requirements. However, these value are not real-time, the Intraday Risk requirements will only show up after our Risk Department has sent them to ECS and after ECS has processed them in an Intraday Risk run.

Positions
Banking
Reports
Profile

Current Standing Requirements and Credits for Settlement Account: 032C

Settlement Accounts
032C

Please note: all of the below figures are from last night's close with the exception of Intraday amounts.

Requirement
Net Liquidating Value
Original Margin
Credit
Net Liquidating Value

Amount
39,060.00
6,358,966.00
Amount
14,860.00

Currency
CAD
CAD
Currency
CAD

CR

ASSET MANAGEMENT
INTRADAY LEDGER

(Sample Data Only)

The possible values that can show on this page are:

Value	Description
Original Margin	The margin to cover risk attributed to the firm's positions.
Net Liquidating Value	The net value of premium-style options.
Guaranty Requirement (Cash)	The Guaranty Fund (Clearing Fund) requirement that is due in Cash. (since we have no minimum cash requirement, will this one always be 0)
Guaranty Requirement (Balance)	The Guaranty Fund (Clearing Fund) requirement that is due after the Cash requirement has been met.
Super Margin	Additional margin due to risk exceeding capital-based position risk limits. (Also called Position Risk Margin)

5 Reports

Banking			PDF Report	Data File
The following reports are available to Clearing Members in PDF and as data files in CSV format on MFT in ({mnemonic}/banking).				
MBCAA	Cash Accounting	Provides detail of all cash movements relating to Member position including Variation Margin, Mark to Market Margin, Interest payments, NLV, PAI etc. Note that for data download from MFT, two separate data files, MBCAA and MBCAB are provided providing transactions and balances separately.	✓	✓
MBCOT	Collateral Transactions	Provides a list of all Collateral movements processed.	✓	✓
MBCOB	Collateral Balances	Provides detail of collateral balances and valuation.	✓	✓
MBSR	Standing Requirements	Provides detail of all margin requirements including Initial Margin (as calculated by SPAN or CDS IM models), VM Repay, VM Hold; this provides comprehensive and complete details regarding the totality of margin that the Member must cover.	✓	✓
MBCC	Cover Calling	Provides detail of utilization of assets to cover Standing Requirements.	✓	✓

6 Profile Management

This tab allows the Member to manage the following profiles settings:

6.1 Member Contact Information

This view displays the Clearinghouse's contact information for the Member. The Member should contact the Clearinghouse should any information require updating.

Positions	Banking	Reports	Profile
Member Contact Information			
MEMBER CONTACT AUTO RELEASE EMAIL NOTIFICATIONS PREFERENCES		Name: Newedge Canada (032) Legal Name: Newedge Canada Inc. Member ID: 032 Email: benito.daignan@newedge.com	
Please call 204-925-5017  to change this information.			

6.2 Email Notifications

The Clearinghouse will send out email notifications notifying the recipients of a specific clearing event. The Member is able to specify the recipients of these notifications via the **Email Notifications** screen.

Positions	Banking	Reports	Profile														
Email Notifications																	
MEMBER CONTACT AUTO RELEASE EMAIL NOTIFICATIONS PREFERENCES		<table border="1"> <thead> <tr> <th>Notifications</th> <th>Addresses</th> </tr> </thead> <tbody> <tr> <td>Collateral is expiring</td> <td> </td> </tr> <tr> <td>PCS file submission rejected</td> <td> </td> </tr> <tr> <td>End of day cash call</td> <td> </td> </tr> <tr> <td>Intra Day Cash Call</td> <td> </td> </tr> <tr> <td>GCM File Submission Rejected</td> <td> </td> </tr> <tr> <td>End of Day Processing Completed</td> <td> </td> </tr> </tbody> </table>		Notifications	Addresses	Collateral is expiring		PCS file submission rejected		End of day cash call		Intra Day Cash Call		GCM File Submission Rejected		End of Day Processing Completed	
Notifications	Addresses																
Collateral is expiring																	
PCS file submission rejected																	
End of day cash call																	
Intra Day Cash Call																	
GCM File Submission Rejected																	
End of Day Processing Completed																	

To add a recipient, enter the email address in the **Addresses** box and **Submit**. More than one address should be separated by a semi-colon.

6.3 Auto Release

This option allows the user to set the Auto Release setting per currency for a given settlement account. After the end of day cover calling process, ECS will automatically return any excess cash on the settlement account based upon the auto release settings.

An entry of zero (**0**) for a given currency implies that all excess cash on the settlement account will be automatically credited to the bank account of the settlement account.

If a threshold amount is entered, e.g. 10 million, ECS will return the entire cash excess on the account once the threshold is breached.

A blank entry in the in the auto release setting implies that the auto release is inactive, and ECS will retain all cash excess on deposit for the settlement account. Clearing Members will have to manually to do cash withdrawal in order to receive their excess cash.

Positions Banking Reports Profile			
Auto Release Threshold for All Settlement Accounts			
MEMBER CONTACT AUTO RELEASE EMAIL NOTIFICATIONS PREFERENCES	032C	032 Customer Settlement Account	CAD
	032H	032 House Settlement Account	CAD
	032H-GUAR	032 Guaranty Account	CAD
			CAD
Submit			